



Department of Energy
Richland Operations Office
P.O. Box 550
Richland, Washington 99352

01-PRO-094

NOV 14 2000

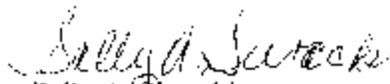
Mr. R. D. Hanson, President
Fluor Hanford, Inc.
Richland, Washington 99352

Dear Mr. Hanson:

CONTRACT NO. DE-AC06-96RL13200 EXECUTION OF CONTRACT MODIFICATION
M121

Enclosed for your files is one fully executed original of contract modification M121,
which revises Performance Incentive due dates in response to the range fire impacts. If you have
any questions regarding this matter, please contact me at (509) 376-8948.

Sincerely,


Sally A. Sieracki
Contracting Officer

PRO:DES

Enclosure

cc w/encls:
J. L. Jacobsen, FH1

AMENDMENT OF SOLICITATION/MODIFICATION OF CONTRACT			1. CONTRACT ID CODE	PAGE 3 OF 4 PAGES
2. AMENDMENT/MODIFICATION NO. M121	3. EFFECTIVE DATE see Block 16C	4. REQUISITION/PURCHASE REQ. NO.	5. PROJECT NO. (If applicable)	
6. ISSUED BY U. S. Department of Energy Richland Operations Office 825 Jadin Avenue, MSIN A7-30 Richland, WA 99352	CODE	7. ADMINISTERED BY (If other than item 6):		CODE
8. NAME AND ADDRESS OF CONTRACTOR (No., street, city, county, state and zip code): Fluor Hanford, Inc. 2420 Stevens Center PO Box 1000 Richland, WA 99352			(X)	9A. AMENDMENT OF SOLICITATION NO.
CODE				9B. DATED (SEE ITEM 11)
FACILITY CODE			X	10A. MODIFICATION OF CONTRACT/ORDER NO. DE-AC06-96R1-13200
				10B. DATED (SEE ITEM 13) 08/06/96

11. THIS ITEM ONLY APPLIES TO AMENDMENTS OF SOLICITATIONS

The above numbered solicitation is amended as set forth in Item 14. The hour and date specified for receipt of Offers is extended, is not extended.
 Offers must acknowledge receipt of this amendment prior to the hour and date specified in the solicitation or as amended, by one of the following methods:
 (a) By completing Items 3 and 15, and returning _____ copies of the amendment, (b) By acknowledging receipt of this amendment on each copy of the offer submitted, or (c) By separate letter or telegram which includes a reference to the solicitation and amendment numbers. FAILURE OF YOUR ACKNOWLEDGMENT TO BE RECEIVED AT THE PLACE DESIGNATED FOR THE RECEIPT OF OFFERS PRIOR TO THE HOUR AND DATE SPECIFIED MAY RESULT IN REJECTION OF YOUR OFFER. If by virtue of this amendment you desire to change an offer already submitted, such change may be made by telegram or letter, provided each telegram or letter makes reference to the solicitation and this amendment, and is received prior to the opening hour and date specified.

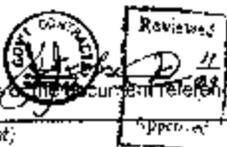
12. ACCOUNTING AND APPROPRIATION DATA (If required):
 N/A \$0.00

13. THIS ITEM APPLIES ONLY TO MODIFICATIONS OF CONTRACTS/ORDERS. IT MODIFIES THE CONTRACT/ORDER NO. AS DESCRIBED IN ITEM 14.

(X)	A. THIS CHANGE ORDER IS ISSUED PURSUANT TO: (Specify authority) THE CHANGES SET FORTH IN ITEM 14 ARE MADE IN THE CONTRACT ORDER NO. IN ITEM 10A.
	B. THE ABOVE NUMBERED CONTRACT/ORDER IS MODIFIED TO REFLECT THE ADMINISTRATIVE CHANGES (such as changes in paying office, appropriation date, etc.) SET FORTH IN ITEM 14, PURSUANT TO THE AUTHORITY OF FAR 43.103(b).
X	C. THIS SUPPLEMENTAL AGREEMENT IS ENTERED INTO PURSUANT TO AUTHORITY OF: Clause H.41: Performance Objectives, Measures, Expectations
	D. OTHER (Specify type of modification and authority)

E. IMPORTANT: Contractor is not, is required to sign this document and return 2 copies to the issuing office.

14. DESCRIPTION OF AMENDMENT/MODIFICATION (Organized by UCF section headings including solicitation/contract subject matter where feasible.)
 The purpose of this modification is to revise Fiscal Year (FY) 2000 Performance Incentive (PI) due dates for the Range Plus impact and incorporate the changes into Part III, Section J, Appendix D of the contract; and into Clause H.60, SPENT NUCLEAR FUEL CONTINGENT FEE.



Except as provided herein, all terms and conditions of the contract referenced in Item 9A or 10A, as heretofore changed, remains unchanged and in full force and effect.

15A. NAME AND TITLE OF SIGNER (Type or print): Ron D. Hanson President and Chief Executive Officer	16A. NAME AND TITLE OF CONTRACTING OFFICER (Type or print): SALLY A. SIERACKI, CONTRACTING OFFICER
15B. CONTRACTOR/OFFICER <i>Ron D. Hanson</i> (Signature of person authorized to sign)	16B. UNITED STATES OF AMERICA <i>Sally A. Sieracki</i> (Signature of Contracting Officer)
15C. DATE SIGNED 11/9/00	16C. DATE SIGNED 13470-0-00

recognized by the Environmental Protection Agency as appropriate for addressing hazardous substance threats where a planning horizon of six months or more is appropriate. Removal responses, including non-time-critical removals are the subject of 40 CFR 300.410 and 300.415. Under a signed agreement with EPA, the Department uses a non-time-critical removal approach tailored for DOE's decommissioning of contaminated facilities. That approach comprises threat assessment; identification, analysis, and documentation of decommissioning alternatives; opportunities for public participation in the decommissioning decision; and planning and performance of decommissioning activities. Under the DOE/EPA agreement, regulator involvement in decommissioning is determined locally.

- (c) The development of a final report, or equivalent document, for each deactivation and/or decommissioning project. Where deactivation and decommissions are conducted as a single, uninterrupted activity, only one final report, or equivalent, is required.

- E. In the acquisition, operation, maintenance, leasing and disposition of physical assets, the Contractor shall ensure that all applicable Federal, state, and local laws, regulations, and negotiated agreements are followed, and that applicable safeguards and security as well as integrated safety management requirements and policies are followed.

H.60 SPENT NUCLEAR FUELS CONTINGENT FEE

A. Start of Fuel Removal

FH agrees that its retention of any fee paid in excess of \$1 million for fiscal year (FY) 1999 Spent Nuclear Fuel Performance Agreements and any fee paid in excess of \$1 million for FY 2000 Spent Nuclear Fuels Performance Agreements will be contingent upon the successful start of fuel removal from the K Basins by December 7, 2000. In addition, if fuel removal is not successfully started by December 7, 2000, then any fee allocated in FY 2001, for the start of fuel removal cannot be earned.

As set forth in the Tri-Party Agreement (TPA) Milestone P-34-16 (as of December 2, 1998) and for purposes of this clause, the start of spent nuclear fuel removal is defined as "The Cold Vacuum Drying (CVD) Facility and Canister Storage Building (CSB) shall be ready to receive spent nuclear fuel. The spent nuclear fuel transport system shall be operable. The K West Basin spent nuclear fuel retrieval system shall begin retrieving, cleaning, and packaging spent nuclear fuel, and the First Multi-Canister Over Pack of

spent nuclear fuel will be loaded and transported to the Cold Vacuum Drying Facility for processing.”

If FHI fails to achieve a successful start of fuel removal from the K Basins by December 7, 2000, and therefore FHI fails the condition subsequent to retain the contingent portion of fee paid on Spent Nuclear Fuels Performance Agreements in FY 1999 and FY 2000, then the contingent fee paid will be offset against any FHI fee earned in FY 2001 in accordance with the Schedule below. Furthermore, notwithstanding any other provision in this Contract, including but not limited to, “Performance, Objectives, Measures, Expectations and Fee Distribution,” if FHI’s total earned fee in FY 2001 is insufficient to offset all of the Spent Nuclear Fuel contingent fee paid in FY 1999 and FY 2000, FHI shall reimburse any remaining amount to RL.

OFFSET SCHEDULE

Date start of fuel removal is achieved	Offset
On or Before December 7, 2000	None
After December 7, 2000 and On or Before February 7, 2001	33% of the contingent fee paid for FY 1999 and FY 2000 Spent Nuclear Fuels Performance Agreements
After February 7, 2001	100% of the contingent fee paid for FY 1999 and FY 2000 Spent Nuclear Fuels Performance Agreements

B. Changes and Termination

(1) Identification of Budget and/or Schedule Impacts

FHI shall treat any DOE direction or action that causes an increase or decrease to the Spent Nuclear Fuel Project budget and/or schedule in accordance with the clause entitled, “Changes—Cost Reimbursement.”

EY 2000 PERFORMANCE INCENTIVES FIRE IMPACT

<u>PLNo.</u>	<u>TITLE</u>	<u>Revised Due Date</u>
FDH-RC-1	Move K-Basin SNF & Sludge	
RC-1-1.a	Declaration of Readiness	September 21, 2000
FDH-RC-1SS	Accelerate SNF Movement	
RC-1SS-1	Accelerate 2 Months	October 7, 2000
RC-1SS-2	Complete FRS/WTS Testing and CCD2	August 22, 2000
FDH-RC-2SS	Disposition Surplus Buildings	
RC-2SS-1	Continue Acceleration of 324/327 Deactivation	October 2, 2000
FDH-RC-5SS	Accelerate 300 Area Closure	
RC-5SS-1	Submit 300 Area Accelerated Closure Plan	July 1, 2000
FDH-RC-4	Accelerate Readiness to Receive K-Basin Sludge	
RC-4-1.a	Shippingport Fuel and Clear One Deck Section	October 2, 2000
FDH-CP-1	Provides Waste Management Services	
CP-1-1.a	# of Analytical Equivalent Units (AEUs) Analyzed	October 27, 2000
FDH-CP-3	Retrieve and Ship TRU Offsite	
CP-3-2.b	500 Effective TRU Waste Containers Processed	October 10, 2000
CP-3-2.c	8 shipments to WIPP	October 10, 2000
FDH-CP-2	Stabilize Pu	
CP-2-1.a	Pu Metal/Oxide/Other Types Dispositioned Items	October 4, 2000
CP-2-1.b	Pu Solutions Stabilized (liter)	October 5, 2000
CP-2-1.c	Pu Residues Stabilized (Kg bulk)	October 4, 2000
CP-2-1.d	Stabilized Pu Packaged (BTS cans)	October 4, 2000



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Sincerely,

ORIGINAL SIGNED BY:

Sally A. Sieracki
 Contracting Officer

PRO:DES

Enclosure

cc w/encls:
 J. L. Jacobsen, FHI

bcc w/encls:
 PRO Off File
 PRO Rdg File
 CCC Rdg File
 D. E. Stromberg, PRO
 Record Note: None
 H:\Pame\Mods\M121\Mod M121 Execution Ltr

RECEIVED
 NOV 15 2000
 DOE RL/CCC

Office >	PRO	PRO				
Surname >	STROMBERG	SIERACKI				
Date >	11/19/00	11/14/00				

(Please return to Rosale Garza 6-7738 A7-80/FED FAX 0-5370)

Doc. ment No. 23905